Ottawa, March 19, 2007
2007-022

Budget 2007: A Stronger, Safer, Better Canada

The Honourable Jim Flaherty, Minister of Finance, today tabled a balanced budget that moves to restore fiscal balance in Canada, cuts taxes for working families, reduces the national debt and invests in key priorities like improving health care and environmental protection.

"Budget 2007 will strengthen the federation by restoring much-needed fiscal balance," said Minister Flaherty. "And Canadians come out ahead through real tax relief that benefits working families."

Budget 2007 builds a stronger, safer, better Canada by delivering the following benefits for Canadians:

- **Restoring fiscal balance** by providing $39 billion in additional funding over seven years, which will allow provinces and territories to better provide services and infrastructure that matter to Canadians—everything from roads, bridges and public transit, to better-equipped universities and colleges, improving health care, clean rivers, oceans and air, and job training that helps Canadians compete with the best in the world.

- **Further tax relief for working families** with the Working Families Tax Plan, which includes a new $2,000-per-child tax credit. Budget 2007 also helps parents save for their children's education by strengthening the registered education savings plan program, and supports seniors by raising the age limit for registered pension plans and registered retirement savings plans to 71 from 69 years.

- **Further debt reductions** resulting in savings for Canadians. After paying down $13.2 billion on Canada's national debt in September 2006, Budget 2007 further reduces the debt by $9.2 billion. Thanks to the government's Tax Back Guarantee, the interest savings on this year's debt repayment will be returned to Canadians in the form of further tax cuts.

- **Investing in Canadians** by providing $550 million per year for the Working Income Tax Benefit and $140 million over two years to establish a Registered Disability Savings Plan.

- **Preserving the environment** with a balanced action plan including rebates on fuel-efficient vehicles and efficient alternative fuel vehicles, an incentive to get older polluting cars off the road and a Green Levy on

fuel-inefficient vehicles; by developing a new National Water Strategy; and by providing $1.5 billion to establish a Canada ecoTrust for Clean Air and Climate Change.

- **Improving health care** by investing $400 million for Canada Health Infoway to support the development of electronic health records and up to $612 million to support jurisdictions that have made commitments to implement patient wait time guarantees, and by providing the provinces with $300 million for a vaccine to prevent cancer of the cervix.

- **Supporting our troops** by providing $60 million to increase the field operations allowance, establishing five new trauma centres to help veterans and their families deal with stress injuries related to their military service, and creating the position of Veterans' Ombudsman.

- **Supporting our farmers** by providing $1 billion in commitments for improvements to national farm income programs, including $600 million to kick-start contributory style producer savings accounts and a direct payment of $400 million to producers to help address high production costs.

A companion document, *Creating a Canadian Advantage in Global Capital Markets*, outlines the Government's plan to strengthen our capital markets, which will make Canadian businesses more competitive and increase returns for investors.

Further information on Budget 2007 can be obtained by visiting the Department of Finance website or by phoning 1 800 O-Canada (1 800 622-6232) or 1 800 926-9105 (TTY for the speech and hearing impaired/deaf).

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